



# The Pathfinder

*A Periodic Update of Issues Important to Rural Maryland*

Winter 2006



## Support for MARBIDCO Continues to Grow

In 2004, the Governor and General Assembly established the Maryland Agricultural and Resource Based Industry Development Corporation (MARBIDCO) to help Maryland's farm, forest, seafood, and related rural businesses achieve sustainable profitability. In 2005, the General Assembly passed additional legislation authorizing up to \$5 million annually in funding beginning this year. MARBIDCO's mission is to bring together public and private service providers to help traditional rural industries obtain the business development and financing assistance they need to survive and thrive. A quasi-public corporation, MARBIDCO is authorized to (1) develop agricultural industries and markets; (2) support appropriate commercialization of agricultural processes and technology; (3) assist with rural land preservation efforts; and (4) alleviate the shortage of nontraditional capital and credit available at affordable interest rates for investment in agriculture and resource-based businesses. Support for providing full funding for MARBIDCO continues to grow steadily. Consider:

**The Agricultural Stewardship Act of 2006** (SB5/HB2) has been introduced by the leadership in both houses of the General Assembly based upon the recent recommendation of the Agricultural Stewardship Commission. The bills, which include several items that support good agricultural practices and business profitability, strongly encourage the appropriation of \$5 million to MARBIDCO for rural business development and assistance, and authorizes another \$5 million for rural land acquisition and easement programs, including the Next Generation (Young Farmer) Farmland Acquisition Program. MARBIDCO Chair Bob Frazee, CEO of MidAtlantic Farm Credit, and Acting Executive Director Steve McHenry (who is also RMC executive director) joined dozens of people representing government agencies, farm organizations and environmental groups testifying in support of the legislation in February before the House Appropriations and Environmental Matters Committees and in January before the Senate Economic, Health and Environmental Affairs Committee. The key challenge facing lawmakers is finding \$45 million for all the issues identified as priorities in SB5/HB2 for the first year alone.

**The Maryland Agricultural Commission** formed an advisory committee last year to develop a statewide plan for advancing agriculture in Maryland. After holding several listening sessions across the State, conducting numerous surveys and conference calls, and using other means of soliciting input from the farm community and public at large, the Commission released a draft report of recommendations for the Governor in February. Several recommendations included providing funding for MARBIDCO and the services it would provide,

## Other Notable Rural Legislation



**The 2020 Rural Maryland Prosperity Investment Fund** legislation has now been introduced in both the Senate and the House of Delegates with virtually all members of the Rural Caucus signing on as co-sponsors (SB902/HB1487). This legislation builds on work initiated by

the Rural Caucus in 2004 and is designed to provide targeted investments to help rural areas increase their standards of living in selected key areas through rural entrepreneurship, agricultural education, infrastructure deployment, regional and intergovernmental cooperation, and small community capacity building. Leading the charge in this bi-partisan effort are Senators Mac Middleton and Don Munson, and Delegates Norm Conway, Bob McKee, Page Elmore, Barry Glassman and John Wood. If enacted and funded, the Rural Investment Fund would make grants beginning in FY 2008 and continuing through FY 2020 (when the goals for the initiative should be fully realized). The RMC has released a special report on the Rural Prosperity Investment Initiative, which is available at: [www.rural.state.md.us](http://www.rural.state.md.us), or by calling 410-841-5772.

### **MARBIDCO** (Continued from page 1)

as well as restoring funding for the Maryland Agricultural and Education and Rural Development Assistance Fund (MAERDAF).

**The Governor's Agricultural Forum**, held in February in Upper Marlboro, heard directly from farmers and other ag-related business professionals who suggested how they would prioritize the recommendations in the draft report. Among 13 recommendations associated with providing better business development assistance to resource-based

industries, funding MARBIDCO and MAERDAF were among the top two priorities chosen by the nearly 250 participants. MARBIDCO also placed very high in another category focusing on support for young farmers.

And finally, all **57 members of the General Assembly's Rural Caucus** recently signed a letter sent to the Governor indicating support for substantial funding of both MARBIDCO and MAERDAF in FY 2007. Both programs were Caucus legislative initiatives in years past.

## **More Notable Rural Legislation**

**Legislation that would establish a Rural Broadband Coordination Office** in the Department of Business and Economic Development (SB753/HB1156) was introduced by Senator E.J. Pipkin and Delegate Sally Jameson.

The office would be responsible for administering a new Rural Broadband Assistance Fund and assisting a rural broadband nonprofit cooperative with its work. The five rural regional councils are in the process of establishing a Rural Maryland Broadband Cooperative to offer broadband "backhaul" (or wholesale) service on the Eastern Shore and in Southern Maryland, and later in Western Maryland.

Maryland's Congressional Delegation was successful in securing \$2 million in NASA's budget for this effort, but matching funds are needed from the State. SB753/HB1156 would provide revenues for the Fund in FY 2008 through a diversion of \$10 million in transportation toll revenues. Sen. Pipkin and Delegate Jameson have also introduced bond bills (SB789/HB1511) that would authorize \$2 million for the rural broadband cooperative in the State's capital budget.

### **Medbank Changes Considered**

Annie Kronk, chair of the RMC's Health Care Working Committee, has been carefully following proposed changes in the state Medbank program, which is administered by Medbank of Maryland, a nonprofit organization. The program helps low-income people who do not have prescription drug coverage obtain needed prescription drugs through patient assistance programs sponsored by pharmaceutical companies.

During the last five years, Medbank has received about \$9 million in general and special funds from the State and provided \$90 million in free medicine to about 32,000 patients, about one-third of them in rural areas. Medbank is scheduled to sunset in June 2006 and no funds have been appropriated for FY2007. Legislation has been introduced to repeal the sunset (SB61/HB822); however that repeal does not include funding.

The HealthChoice Performance Incentive Fund traditionally collected fines paid by managed care organizations and earmarked those funds for grants to Medbank. The Governor's Budget includes \$500,000 from HealthChoice for MedBank; however, budget analysts have recommended that amount be reduced to \$350,000. RMC continues to monitor the situation.

## **Maryland News**

**Department of Health and Mental Hygiene has moved the State Office of Rural Health** from the Office of Primary Care to the Office of Health Policy and Planning within the Family Health Administration. Stacy Kidd will remain as rural health administrator while former director Grace Zaczek, a long-time advocate for rural health, will take on more responsibilities in the Medicaid program. Because of this reorganization, however, Grace has stepped down as DHMH representative on the RMC and MAERDAF Boards, and Stacy has stepped in. The State Office will maintain an active role in planning and hosting the Maryland Rural Summit.

### **DBED Awards Grants**

Maryland Department of Business and Economic Development has approved \$600,000 in grants from the Maryland Economic Adjustment Fund to four rural organizations. The Fund helps businesses modernize manufacturing operations, develop commercial applications for technology, and explore new markets. It includes both federal and state funding. Grant recipients were: Garrett County Community Action (\$100,000), The Tri-County Council for Western Maryland (\$200,000), UM-Eastern Shore Rural Development Center (\$200,000), and Maryland Capital Enterprises (\$100,000).



Rural Maryland Communities in Transition

### **Save the Date: October 26-27, 2006**

**The 9th Annual Rural Maryland Summit** will be held Oct. 25-27 at the Sandy Cove Conference Center in North East (in Cecil County). The theme is: *Rural Maryland Communities in Transition*. The Summit is hosted annually by the Rural Maryland Council, the Maryland Rural Health Association, and the five regional councils. This year the Upper Shore Regional Council is taking the lead with local planning and is working on a variety of informative mobile workshops as well as other activities that will showcase the region's culture and economy. Registration will open in April. Check for current Summit details on the RMC Website at: [www.rural.state.md.us](http://www.rural.state.md.us)

**Call for Ideas:** The RMC, working with the rural regional councils and other stakeholders, is charged with planning the workshops offered under the Summit's rural development track. The RMC also works with its Summit partners to identify and invite plenary speakers. Let us know what topics you would like addressed or speakers you would like to hear from during the Summit. Traditional topic areas include rural economic and community development, rural access to public services and infrastructure funding, and the sustainability of agriculture and resource-based industries, just to name a few. Send your suggestions to: [orlandva@mda.state.md.us](mailto:orlandva@mda.state.md.us)

**Don't Forget Your Local Heroes.** The Annual Rural Impact Awards will also be announced during the Summit. Nominations will open in April. Check our website for details.



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## **Events of Interest**

***For details, see our website:  
[www.rural.state.md.us](http://www.rural.state.md.us)***

**“Bioscience for Life: Technology to Enhance Health, the Environment and Agriculture,” Thursday, February 23 - College Park. Registration: \$60**

The RMC is pleased to partner with TEDCO and BARC to present this showcase of emerging technologies. The event is aimed at companies involved in agriculture, environmental safety and protection, food safety and quality improvement, growing and breeding plants, developing value-added products, among others.

**Making Health Policy: How it Works in Maryland, Friday, March 3, Maryland Department of Agriculture, Annapolis. Registration \$30.**

The Maryland Rural Health Association will conduct a special training session to provide participants with an understanding of how health policy and funding decisions are made in Maryland, how a bill becomes a law, and the role the MRHA and its members play in helping to shape health policy for rural areas in Maryland. Training will be conducted by RMC Vice Chair Annie Kronk, who also chairs the RMC Health Care Working Committee, and former House Speaker Cas Taylor, a lobbyist with Alexander & Cleaver. The MRHA Board will hold its regular meeting immediately following this session.

**2006 Annual Rural Policy Conference, March 26-28, Crystal City, VA**

The National Rural Development Partnership and Partners for Rural America will sponsor the 2006 Annual Rural Policy Conference in Arlington (Crystal City). A number of nationally recognized speakers will be attending, including Wyoming Senator Craig Thomas and Jack Schultz, author of “Boomtown USA - The 7 ½ Keys to Big Success in Small Towns.” This Annual Rural Policy Conference is a must attend event for anyone that works with or has an interest in rural policy and rural development at the national level.